



**DEFENSE LOGISTICS AGENCY**  
THE DEFENSE CONTRACT MANAGEMENT COMMAND  
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FT. BELVOIR, VIRGINIA 220604221



IN REPLY  
REFER TO AQOG

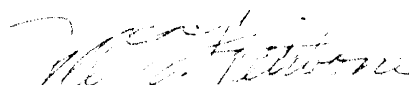
30 JAN 1996

MEMORANDUM FOR COMMANDERS, DEFENSE CONTRACT MANAGEMENT AREA  
OPERATIONS (DCMAO)  
COMMANDERS, DEFENSE PLANT REPRESENTATIVE OFFICES  
(DPRO)

SUBJECT: Common Process Block Change

Attachment 1 is a letter developed to assist the Administrative Contracting Officers (ACOs) in encouraging contractors to submit Concept Papers for common processes. This letter should be sent to all contractors under the ACOs' cognizance.

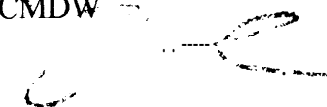
The point of contact for this initiative is MAJ Jack Econom, Product & Manufacturing Assurance Team, (AQOG), at (703) 767-3363 or DSN 427-3363. This letter is informational in nature and expires on January 29, 1997 unless superseded or rescinded.

  
JILL E. PETTIBONE  
Executive Director  
Contract Management Policy

JOHN M. COLLACCHIO  
Director, Operations  
DCMDN

PETE J. LANDINI  
Director, Operations  
DCMDW

JAMES L. BAUER  
Director, Operations  
DCMDS

  
JOHN P. ZORICH  
Director, Operations  
DCMCI

Attachments



Contractor  
1234 Main Street  
Anywhere, USA 19999

Dear Contractor:

The Secretary of Defense, William J. Perry, and the Under Secretary of Defense for Acquisition and Technology, Paul G. Kaminski, recently issued policy directing that the Services and Defense Agencies expedite the transition to common management and manufacturing processes on existing defense contracts. This is part of the Department's acquisition reform thrust toward commercial products and industry wide practices and technologies, and away from government **unique** requirements .

Common processes are intended to help reduce contractor operating costs and contribute to cost, schedule, and performance benefits for the Government and the contractor. The focus of this effort is to standardize process requirements on a facility-wide basis where it makes good business sense. In this way, the Government and contractors will mutually benefit from the adoption of common processes. An example of common processes is the adoption of ISO-9000 in lieu of MIL-Q-985 8A, Quality System Requirement.

Management councils, comprised of DCMC, DCAA, key customer, and contractor representatives, are being established at DCMC field offices to facilitate the coordination and approval of common processes. I encourage you to review your facility wide processes and identify potential common processes that could apply to multiple contracts. A concept paper, detailing the process you propose to adopt, your methodology for moving to that process, and a cost-benefit analysis will then be reviewed by the management council. The cost-benefit analysis should include a rough order magnitude of the costs and benefits resulting from the proposed process changes (including any impact on the cost of performance of existing contracts).

The management council will play an integral role in evaluating the technical aspects and acceptability of the concept paper. If the proposed common process is determined to be technically acceptable by the management council and there are no significant net savings, a block change modification will be executed for all affected contracts, without seeking an equitable adjustment.

I am available to discuss any aspects of this important acquisition reform initiative at your convenience. If you have any questions, please call me at (XXX) XXX-XXXX. I look forward to working with you in moving toward the adoption of common processes.

Enclosed is the Defense Contract Management Command (DCMC) memorandum with attached memoranda from Secretary Perry and Under Secretary **Kaminiski** that emphasizes DoD's commitment to accelerate this **shift** toward common processes and the role DCMC shall play in its implementation.

Sincerely,

Ms. Jane Doe  
Administrative Contracting Officer

## ARMY

- Lockheed-Martin (Stingray, Hellfire, Javelin, ASAS, AMMO, C2V)
- Loral Vought (ATACMS, MLRS, THAAD, LOSAT)
- Sikorsky (Blackhawk, Commanche)
- Motorola (JSTARS, GBCS, SATCOM)
- UDLP (Bradley, AGS, Crusader, Paladin)
- AM General (HMMWV)
- Texas Instrument (2d Gen FLIR)
- McDonnell Douglas (Apache)
- Oshkosh (Heavy Equipment Transporter)
- ITT (SINCGARS)

## AIR FORCE

- Boeing Aircraft Company; Seattle, WA
- Hughes Missile Systems Company; Tucson, AZ
- Lockheed Martin Missile and Space, Space Systems Division; Sunnyvale, CA
- Loral Command and Control; Colorado Springs, CO
- McDonnell Douglas Aerospace-East (MDA-East); St, Louis, MO
- Rockwell International, North American Aircraft Division (NAAD)